

LEGISLATURE OF THE STATE OF IDAHO
Sixty-second Legislature Second Regular Session - 2014

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 513

BY REVENUE AND TAXATION COMMITTEE

AN ACT

RELATING TO TAXATION; AMENDING SECTION 40-718, IDAHO CODE, TO ESTABLISH PROVISIONS RELATING TO CERTAIN MONEYS INCLUDED IN THE GARVEE DEBT SERVICE FUND; AMENDING SECTION 63-2506, IDAHO CODE, TO REVISE PROVISIONS RELATING TO CERTAIN MONEYS SUBJECT TO APPROPRIATION TO THE PUBLIC SCHOOL INCOME FUND AND THE DEPARTMENT OF JUVENILE CORRECTIONS; AMENDING SECTION 63-2520, IDAHO CODE, TO REVISE PROVISIONS RELATING TO THE DISTRIBUTION OF CERTAIN REVENUES AND TO MAKE TECHNICAL CORRECTIONS; AND AMENDING SECTION 57-1702, IDAHO CODE, TO REVISE A TERM.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 40-718, Idaho Code, be, and the same is hereby amended to read as follows:

40-718. GARVEE FUNDS ESTABLISHED -- CAPITAL PROJECT FUND -- DEBT SERVICE FUND. (1) There is established in the state treasury a fund known as the "GARVEE Capital Project Fund" which shall include:

(a) Any draw by the board of proceeds from the transportation bonds or notes issued by the Idaho housing and finance association in accordance with chapter 62, title 67, Idaho Code.

(b) Interest earned on the investment of idle moneys in the GARVEE capital project fund shall be paid to the GARVEE capital project fund. Disbursements from this fund shall be made for projects in accordance with chapter 3, title 40, Idaho Code. All moneys in the fund are hereby continuously appropriated to the department.

(2) There is established in the state treasury a fund known as the "GARVEE Debt Service Fund" for the purpose of paying the principal, interest and other amounts required for transportation bonds or notes of the Idaho housing and finance association in accordance with chapter 62, title 67, Idaho Code. The fund shall include:

(a) Amounts transferred from the state highway account upon certification by the Idaho housing and finance association to the state controller, state treasurer and the board as necessary for payment of principal, interest and other amounts required for transportation bonds or notes.

(b) Amounts distributed pursuant to section 63-2520 (b) (5), Idaho Code. Provided that such moneys distributed to the GARVEE debt service fund pursuant to this paragraph shall be used in combination with the amounts provided for in paragraph (a) of this subsection and shall be used for payment of principal, interest and other amounts required for transportation bonds or notes.

(c) Interest earned on the investment of idle moneys in the GARVEE debt service fund shall be paid to the GARVEE debt service fund.

From moneys within this fund, there are hereby continuously appropriated such amounts as, from time to time, shall be certified by the Idaho housing and finance association to the state controller, state treasurer and the board as necessary for payment of principal, interest and other amounts required for transportation bonds or notes of the Idaho housing and finance association in accordance with chapter 62, title 67, Idaho Code, which amounts shall be paid over as directed by the association.

SECTION 2. That Section 63-2506, Idaho Code, be, and the same is hereby amended to read as follows:

63-2506. IMPOSITION OF TAX. (1) On and after July 1, 2005, a tax upon the purchase, storage, use, consumption, handling, distribution or whole-sale sale of cigarettes is hereby imposed at the rate of fifty-seven cents (57¢) per package of twenty (20) cigarettes, which tax shall be paid by the wholesaler, and collected by the state tax commission. ~~5.1746¢ of the tax collected per package of twenty (20) cigarettes Beginning July 1, 2014, and every year thereafter, of the tax collected pursuant to this subsection, three million three hundred fifteen thousand dollars (\$3,315,000) shall be subject to appropriation to the public school income fund to be utilized to facilitate and provide substance abuse programs in the public school system. 5.1746¢ of the tax collected per package of twenty (20) cigarettes Beginning July 1, 2014, and every year thereafter, of the tax collected pursuant to this subsection, three million three hundred fifteen thousand dollars (\$3,315,000) shall be subject to appropriation to the department of juvenile corrections for distribution to the counties to be utilized for county juvenile probation services.~~

(2) Appropriated funds shall be distributed quarterly to the counties based upon the percentage the population of the county bears to the population of the state as a whole.

(3) The remaining moneys collected and those moneys not appropriated under the provisions of this section shall be distributed as specified in section 63-2520, Idaho Code.

SECTION 3. That Section 63-2520, Idaho Code, be, and the same is hereby amended to read as follows:

63-2520. DISTRIBUTION OF MONEYS COLLECTED. Revenues received from the taxes imposed by this chapter, and any revenues received from licenses, permits, penalties, interest, or deficiency additions, shall be distributed by the state tax commission as follows:

(a) An amount of money shall be distributed to the state refund account sufficient to pay current refund claims. All refunds authorized under this chapter by the state tax commission shall be paid through the state refund account, and those moneys are continuously appropriated.

(b) On and after July 1, ~~2005~~ 2014, the balance remaining with the state treasurer after deducting the amount described in subsection (a) of this section shall be distributed as follows:

(1) ~~17.3% of such balance~~ Five million dollars (\$5,000,000) shall be distributed to the permanent building fund created by section 57-1108, Idaho Code.

~~(2) 0.4% of such balance~~ One hundred twenty thousand dollars (\$120,000) shall be distributed to the central cancer registry fund and is subject to appropriation as provided for in chapter 35, title 67, Idaho Code. ~~The amount of money so distributed to the central cancer registry fund shall not exceed the fiscal year's appropriation, and at such time as the appropriation has been distributed to the central cancer registry fund during any fiscal year, all such distributions in excess of the appropriation shall be made instead to the general fund of the state of Idaho.~~

(3) ~~1% of such balance~~ Three hundred thousand dollars (\$300,000) shall be distributed to the cancer control ~~account~~ fund created by section 57-1702, Idaho Code, and is subject to appropriation as provided for in chapter 35, title 67, Idaho Code. ~~Revenues received in the cancer control account shall be paid over to the state treasurer by the state tax commission to be distributed as follows:~~

~~(i) Such amounts as are appropriated for purposes specified in section 57-1702, Idaho Code, shall be expended as appropriated;~~

~~(ii) Any balance remaining in the cancer control account on June 30 of any fiscal year after the amounts withdrawn by appropriation have been deducted, shall be reserved for transfer to the general fund on July 1 and the state controller shall order such transfer.~~

(4) An amount equal to the annual general fund appropriation for bond levy equalization, less the amount distributed under section 67-7434(21), Idaho Code, if applicable, pursuant to section 33-906, Idaho Code, shall be annually distributed to the general fund.

(5) All remaining moneys shall be distributed as follows: ~~For the fiscal year commencing July 1, 2005, and ending June 30, 2006, all moneys shall be distributed to the economic recovery reserve fund created by section 67-3520, Idaho Code. For fiscal years on and after July 1, 2006, all moneys shall be distributed to the permanent building fund with the moneys to be used for the repair, remodel and restoration of the state capitol building and state facilities pertaining to the capitol restoration until such time as the capitol restoration is adequately funded as certified by the director of the department of administration. Thereafter, all remaining moneys shall be distributed in the following priority order:~~

(i) Four million seven hundred thousand dollars (\$4,700,000) to be used for the purpose of paying the state match as required for federal funds committed to pay the annual scheduled GARVEE debt service until such time as the Idaho housing and finance association certifies that any such bonds or notes are adequately paid for, in accordance with chapter 62, title 67, Idaho Code;

(ii) Three million dollars (\$3,000,000) to the secondary aquifer planning, management and implementation fund as established in section 42-1780, Idaho Code. Such moneys shall be used for aquifer recharge only;

(iii) Two million dollars (\$2,000,000) to the aquifer planning and management fund as established in section 42-1780, Idaho Code. Such moneys shall be subject to appropriation; and

(iv) All remaining moneys following distributions pursuant to subparagraphs (i) through (iii) of this paragraph shall be distributed to the state highway account for the purpose of paying for the maintenance and repair (and including purchase of rights-of-way) of the state highway system.

~~Thereafter all moneys shall be distributed to the economic recovery reserve fund created by section 67-3520, Idaho Code.~~

SECTION 4. That Section 57-1702, Idaho Code, be, and the same is hereby amended to read as follows:

57-1702. CANCER CONTROL ~~ACCOUNT~~ FUND. There shall be established in the dedicated fund in the state treasury the cancer control ~~account fund~~, to which shall be credited the revenues derived from the tax distributed by subsection (b) (3) of section 63-2520, Idaho Code. All moneys now or hereafter in the cancer control ~~account fund~~, to the extent appropriated, are hereby dedicated for the purpose of contracting for and obtaining the services to promote cancer control for the citizens of Idaho, through research, education, screening and treatment. The director of the department of health and welfare is charged with the administration of moneys appropriated from the ~~account fund~~ unless otherwise provided by law.